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# FOCUS

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## Perspective

*Saluting Twenty-Five Years of Civic Engagement*

## Redistricting 2001

*Redistricting Decisions in State Legislatures This Year Will Profoundly Affect the Future of Black Political Power*

## The Question of Race

*The Multiracial Responses on the Census Pose Unforeseen Risks to Civil Rights Enforcement and Monitoring*

## Building Kids, Building Our Future

*Youth NABRE Projects Prepare Youth to Handle the Challenges of Leadership in an Increasingly Diverse Society*

## TrendLetter

**Potitical Report:** *An End to Racial Profiling?*

**Economic Report:** *Reauthorizing Welfare Reform: Part 2*

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# Saluting Twenty-Five Years of Civic Engagement

Twenty-five years ago, in this very column, I wrote about the founding of the National Coalition on Black Voter Participation, now called the National Coalition on Black Civic Participation. Although black voter participation had soared following the gains of the civil rights movement in the sixties, by 1976 many black citizens had become extremely disillusioned by the slow pace of change. They were cynical about the ability of their vote to make any difference, and a disturbing trend was developing. Incredibly, after all the hard-won gains of the past, black voter participation was on a steep decline.

Margaret Bush Wilson, then chair of the NAACP, and William Pollard, then director of Civil Rights at the AFL-CIO, met with me to discuss strategies to reverse this trend. In response, the Joint Center led the effort to conceive the National Coalition on Black Voter Participation, which was subsequently organized to develop innovative outreach programs to register and engage black voters. This was the first time a group of black organizations had come together collectively to form a single organization for voter participation. Under the guidance and direction of the Joint Center, this new coalition sought to make African Americans full and equal partners in the political process.

In honor of its silver anniversary, I'd like to again use this space to personally salute the National Coalition on Black Civic Participation and its work over the last 25 years. The National Coalition began as a unique and ambitious attempt to raise the political consciousness of African Americans and broaden participation in the political process. Today, the organization is as relevant and needed as it was in 1976.

In the decade after its founding, six million black voters were added to the registration rolls and the number of black elected officials jumped 60 percent from 4,000 to 6,400. With the passage of the "motor voter" law in 1993, many thought the National Coalition had attained all its goals. But leaders at the coalition knew that simply making it easier for people to register and vote did not guarantee that they would do so. Ongoing voter education, motivation, and mobilization were essential. In 1999, the National Coalition changed its name to reflect a broader mission and vision. The organization's new emphasis was on diversifying its membership and renewing its focus on minority youth.

The National Coalition on Black Civic Participation's 25th anniversary comes at a crucial time for black political participation. In the last election, we saw that minority voters are still subjected to barriers that prevent their full participation—faulty equipment, poorly trained workers, police barricades, and inaccurate voter registration records. Of new concern is the rising number of African American men who have permanently lost their right to vote due to felony convictions. Yet despite these challenges, black voters turned out in record numbers last November in many states, including Florida, and they had a profound impact not just on the presidential election, but on congressional races, state legislatures, local offices, and policy issues. This turnout is a tribute to the ongoing work of the National Coalition.

The Joint Center is proud of its role in initiating, nurturing, and guiding the National Coalition to become an independent organization. It has become a model for successful coalition building and is strongly positioned to address issues of justice and equity for all Americans in the 21st century. Here at the Joint Center, we will continue to use our resources and experience to develop and launch programs and organizations that meet the economic, political, and social needs of African Americans and other minorities.

I am pleased to have served as the chairman of the board of the National Coalition for its first 18 years and that the Joint Center continues to be active in this important organization. ■

PRESIDENT

FOCUS
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# Redistricting 2001

## *Redistricting Decisions in State Legislatures This Year Will Profoundly Affect the Future of Black Political Power*

*By David A. Bositis*

Many state legislatures are starting to redraw new districts based on the recently released 2000 Census data, even while court battles continue over the 1990 remapping. Redistricters must walk a fine line as they attempt to meet the mandates of the Voting Rights Act, which requires that they consider race in their decision making, while at the same time heeding the strictures of the U.S. Supreme Court against the unconstitutional use of race as the primary basis for drawing new district boundaries. While redistricting is always crucial to the balance of partisan political power, this year it takes on special importance because of the narrow Republican majority in the U.S. House of Representatives. The 2001 redistricting could decide the partisan balance in the House for the foreseeable future.

### The Voting Rights Act

The 1965 Voting Rights Act was passed by the Congress to guarantee the right to vote for minority citizens who had historically been denied that right through a variety of means, mostly in the Southern states. Section 2 of the Voting Rights Act, which applies nationwide, prohibits the dilution of minority voting strength. Section 5 of the Act applies to specified states and parts of states that have a history of discriminatory voting practices. These jurisdictions are required to obtain preclearance from the U.S. Attorney General or the U.S. District Court for the District of Columbia for any change whatsoever in their voting procedures or practices. In 1982, Congress strengthened the Act by making a finding of discriminatory results, rather than intent, sufficient grounds for proof of violation. In 1986, in *Thornburg* v. *Gingles*, the High Court determined that to meet requirements for creating a majority-minority district, a minority must be sufficiently large, politically cohesive, and the victim of white bloc voting Therefore, when states construct new congressional districts based on the decennial census, they must prove that they have done so without diminishing the voting rights of their minority residents.

### The Legal Conflict

Majority-minority districts fashioned after the 1990 Census were immediately challenged. In court cases in Georgia and North Carolina, the Supreme Court held that the bizarre shape of some of these districts indicated that race was unconstitutionally made the primary factor in their construction. But the High Court failed to say how these majority-minority districts could be constructed so that they would meet constitutional standards. The North Carolina legislature has spent a decade drawing and redrawing the state's 12th congressional district to meet these seemingly contradictory mandates. Finding the right balance to suit the Court has proved a daunting, if not impossible, task.

The latest iteration of the North Carolina case—*Hunt* v. *Cromartie*—is currently before the Supreme Court again, with a decision expected within the next few months. Many of those involved hope that the justices will clarify the ground rules for drawing constitutionally permissible districts.

Before the 2000 election, the future of these districts was uncertain. Now, it is even more difficult to anticipate how they will fare in the current political situation. There are rumors that one or more of the older justices will retire from the Court in the near future. In that case, President Bush would get to name a replacement—most likely a conservative nominee similar in judicial outlook to Justices Clarence Thomas and Antonin Scalia. If one of these possible retirees were Justice Sandra Day O'Connor, who represents the swing vote in the slim 5 to 4 decisions that have characterized Voting Rights Act cases, majority-minority districts would face an even more hostile U.S. Supreme Court.

### Drawing Districts in 2001

How redistricting plays out in state legislatures throughout the country will affect the chances of candidates of both parties to mount challenges or win re-election for the next decade. For this reason, the census count has been the focus of partisan disputes for several years, with minority advocates and Democrats arguing for sampling-adjusted figures to correct for minority undercounts and Republicans contending that sampling would be unconstitutional, less accurate, and subject to political manipulation. The U.S. Constitution, which mandates the decennial census, provides only for an actual enumeration of the population, according to Republicans.

At the base of these arguments is the fact that the number and location of minorities identified by the census will determine their political power. The Supreme Court ruled in January 1999 that sampling-adjusted figures could not be used for reapportionment among the states but did not rule out their use for other purposes, including redistricting. The

*Continued on page 4*

David A. Bositis is senior political analyst at the Joint Center. He is editor of *Redistricting and Minority Representation: Learning from the Past, Preparing for the Future*, published in 1998 by the Joint Center and available from University Press of America.

*Continued from page 3*

recent decision by the Census Bureau to use raw census numbers for redistricting rather than the more accurate adjusted figures dealt a blow to voting rights advocates.

Also at issue is how the ability to check off more than one race in the 2000 Census will affect the construction of majority-minority districts. (For more on multiracial responses, see page 5.) In the 2000 Census, for the first time, persons were able to select more than one race. After the count was completed, the Census Bureau tabulated 63 different racial combinations. The Clinton Administration's Office of Management and Budget had decided that for the purposes of redistricting, persons who checked black as their race on the census should be counted as black regardless of whether they selected another race as well. Therefore, the data provided by the Census Bureau to the states for redistricting contain only a single race designation.

In the 1990 round of redistricting, a general assumption was that a minority group would need to constitute 65 percent of the voting-age population of a district in order to have a reasonable chance of electing a candidate of its choice. In this round, that percentage is likely to be much smaller, although it will vary by state. This is important because Republicans are not necessarily opposed to the formation of majority-minority districts, and white Democrats are not necessarily in favor. In some cases, the concentration of minority voters within a district may make surrounding districts more Republican and, therefore, create a partisan advantage for Republicans. So larger percentages in majority-minority districts may, in some cases, be more favorable for Republicans. White Democratic candidates in surrounding districts may not fare as well if black Democrats are siphoned off from their districts.

By April, the Census Bureau is required by law to provide redistricting data to the states. These data include information on race, total population, voting-age population, and Hispanic origin for the census blocks located within each state. Along with the data, the Census Bureau provides the states with maps that show the location of the census blocks within counties or similar governmental units. Also shown on the maps are the boundaries, names of subdivisions, voting districts, and other places. With this information and aided by special redistricting computer software, state legislatures (and all the other parties involved in the process, including advocacy groups and political parties) will redraw districts, taking into account a number of concerns—vote dilution under the Voting Rights Act, retrogression, one-person-one-vote requirements, geographic and physical boundaries, and state constitutional requirements about splitting up jurisdictions, as well as partisan advantage. In many states, the governor has the power to veto redistricting plans that do not suit him. For each state, unique political concerns, the political ambitions of participants, and partisan dynamics will dictate how redistricting plays out. States all have different rules for how the process is conducted. Despite the rhetoric from both sides, it appears at this time that neither party holds a clear advantage nationally.

## Impact on Minority Representation

Effective minority representation is connected to both majority-minority districts and the fortunes of the Democratic Party, since the great majority of African Americans identify themselves as Democrats. In the 2000 election, an impressive 90 percent of African American voters chose Gore rather than Bush for President. Although we won't know for some time the extent of the partisan shift that will result from redistricting, we do know which states will be gaining seats and which will be losing them (see Table 1). These gains and losses follow the same trends as seen in recent decades: that is, a loss of seats in the Northeast, which tends to vote more Democratic, and gains in the South and non-coastal West, which tend to vote more Republican.

**Table 1**
**States Gaining and Losing Seats In U.S. House of Representatives**

Part or all of the states that are shaded are covered by Section 5 of the Voting Rights Act.

| | Gain/Loss |
|---|---|
| Arizona | +2 |
| California | +1 |
| Colorado | +1 |
| Georgia | +2 |
| Florida | +2 |
| Nevada | +1 |
| North Carolina | +1 |
| Texas | +2 |
| Connecticut | -1 |
| Illinois | -1 |
| Indiana | -1 |
| Michigan | -1 |
| Mississippi | -1 |
| New York | -2 |
| Ohio | -1 |
| Oklahoma | -1 |
| Pennsylvania | -2 |
| Wisconsin | -1 |

The importance of redistricting decisions for minority representation can hardly be overstated. In the 1992 elections, 13 newly created majority-minority districts in the South sent black representatives to Congress, often for the first time since Reconstruction. Despite lawsuits and the redrawing of district lines, all of these representatives, save one, won reelection even in districts that were reconstituted to have a majority of whites.

Because of its commitment to minority voting rights, the Joint Center remains actively involved in the redistricting process. Its redistricting program includes research on such issues as racially polarized voting, as well as collaborative efforts with other groups involved in the process, including the Congressional Black Caucus, the Advancement Project, the Southern Regional Council, the NAACP Legal Defense and Educational Fund, and the Lawyers' Committee for Civil Rights Under Law. ■

# The Question of Race

## *The Multiracial Responses on the Census Pose Unforeseen Risks to Civil Rights Enforcement and Monitoring*

*By Roderick Harrison*

For the first time in the nation's history, the 2000 Census allowed respondents to check more than one race. Although the great majority of Americans—98 percent—selected a single race, more than 6.8 million people took the opportunity to declare a mixed racial heritage. This number represents a small portion of the total population—2.4 percent—but the impact could be substantial as we try to figure how to count these numbers. Brought to the forefront again is the age-old American question of race, as the multiracial responses on the census compel us to ask what it means to be white, African American, American Indian, Asian American, or other minority. Our answer to this question will have enormous ramifications for the future of the nation's efforts to meet civil rights goals, to allocate funding equitably, and to produce reliable, useful data for a variety of purposes.

The great majority of the nation's 281.4 million people (98 percent) still chose one race in identifying themselves. Of those, 75.1 percent were white, 12.3 percent were African American, 0.9 percent were American Indian, 3.6 percent were Asian American, 0.1 percent were native Hawaiians or Pacific Islanders, and 5.5 percent (mostly Hispanics) chose the designation "Some other race."

The official count of the African American population will be the 34,658,190 who reported their race as black or African American alone. However, another 1,761,244 people reported black or African American in combination with one or more other races. Almost half (44.6 percent) of those who marked another race along with black or African American reported that they were also white. Nearly another quarter (23.7 percent) gave "Some other race" as their second race. The majority of these are likely black Hispanics since about 60 percent of those reporting "Some other race" were Hispanic. A little over 10 percent (10.4 percent) of the multiple responses involving African Americans gave American Indian or Alaska Native as the second race, and 6.4 percent listed Asian American.

So how many African Americans were there in the United States in 2000? How many American Indians and Alaska Natives? How many Asian Americans? What are their poverty and birth rates? The answer is: It depends on how you do the counting.

There were at least 34.7 million blacks in the United States in April 2000. If the 1.76 million who checked "Black or African American" together with other races were added to the number who reported black as a single race, the total would be 36,419,434. This "all-inclusive" figure is about 5 percent higher than the single race count and would represent 12.9 percent of the nation's population.

Although some might be happy to use the higher, all-inclusive number for their own group, the result is that people who reported two races are counted twice, those who reported three are counted three times, and so forth. If this is done for all groups, the total counted becomes larger than the actual population by 2.6 percent. The all-inclusive numbers are, therefore, of little use in the major applications that require data on race, including monitoring and enforcing civil rights and tracking trends in education, employment, health, housing and other sectors of society. As the data from the 2000 Census roll out, a question likely to be asked with increasing frequency and urgency is: How should the multiple responses be tabulated for these important purposes?

In March 2000, the Office of Management and Budget (OMB) gave instructions to federal agencies on how to count minorities for the purposes of civil rights monitoring and enforcement. They decided that respondents who checked white and another race would be assigned to the minority race. Persons who checked more than one minority race would be assigned to whichever race was relevant to the complaint or action. To assess disparate impact or discriminatory patterns, agencies were instructed to analyze the patterns using alternative allocations to each of the minority groups selected.

These allocation rules only partially solve the problem. For civil rights enforcement, the African American population in the United States would be composed of the 34.7 million who reported black or African American alone, plus the nearly 785,000 who reported as black and white, for a total of 35.4 million. How the remaining 976,000 who reported African American and one or more minority races would be counted would depend on and vary with the specific case.

There are also, however, troubling reasons to worry that civil rights agencies using the guidance's allocation rule would be vulnerable to challenge, and that a single successful challenge could undermine the entire statistical mechanism for monitoring and enforcing civil rights. First, there is solid evidence that the civil rights allocation will inflate the counts of minority populations above what they would have been had the OMB not revised the standards to permit respondents to report more than one race. This is because

Dr. Harrison is director of the Joint Center's DataBank.

*Continued on page 6*

## *Race*

*Continued from page 5*

many respondents who report as white and a minority race will identify as white if asked which race they primarily identify with.

The National Health Interview Survey (NHIS) has allowed respondents to report more than one race for more than a decade. Those checking more than one race are then asked which of those races they primarily identify with. According to OMB research on this data, 80.9 percent of those who reported as American Indian and white in the NHIS for 1993 to 1995 primarily identified as white on the follow-up question. Almost half of those who selected white and Asian American (46.9 percent) chose white as their primary identification, and a quarter of those reporting white and black (25.2 percent) considered themselves primarily white. If one adds in those who refused to choose a primary racial identification, the minority assignment rule only correctly assigns the primary racial identity of about half of those who checked black and white, 34.6 percent of those checked Asian American and white, and only 12.4 percent of those who identified as American Indian and white. In the absence of data on the primary identities of those who gave multiple race responses on the Census, the NHIS evidence might make it easy for a defendant to argue that the counts of blacks, Asian Americans, and especially of American Indians used by a civil rights agency were inflated over the standards that would have prevailed if the system had not been changed to permit multiple responses. Given the evidence, expert witnesses might have to agree with such defendants.

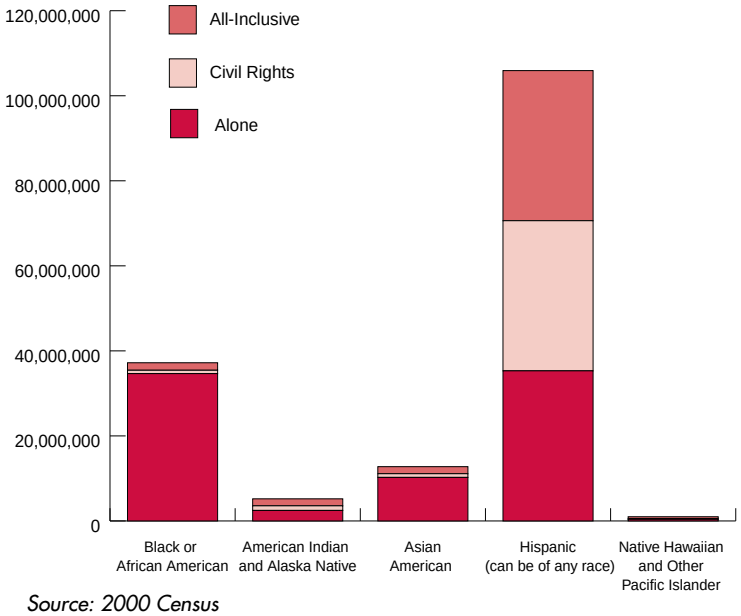
The OMB and Census Bureau have frequently pointed to the relatively low percentages of multiple responses in test studies to date as suggesting that the differences between single race and all-inclusive counts should be small enough to ignore. The results from the 2000 Census should disabuse those concerned with our ability to monitor and enforce civil rights of any hope that the allocation rules will be protected by the small size of the differences between counts. For American Indians, the difference in the counts is nothing short of enormous: 43.7 percent higher using the civil rights counts than the single race counts. For Asians, the difference is 8.5 percent, and for blacks, it is 2.3 percent. This latter number may not seem large, but it represents an average. In areas with larger percentages of multiracial responses, the difference will be much higher. For example, in California, the civil rights count will be 4.5 percent higher than the single race count for blacks; it is 5 to 10 percent higher in 14 California counties, including Fresno, Riverside, San Diego, and Mercer, and 10 to 20 percent higher in 16 more, including Marin, Orange, Ventura, and Santa Barbara counties. These differences are certainly large enough to open the civil rights allocation rule to challenge in these jurisdictions.

Differences this large in the estimates of target populations for assessing equal opportunity in employment, education, or housing make it likely that affected parties somewhere will challenge the fairness—and the statistical appropriateness—of using the numbers generated by the civil rights guidance for enforcement. Parties on both sides of efforts to identify discriminatory patterns will doubtlessly insist—and rightly—that determinations depend on the patterns at issue rather than reflecting changes in collecting and tabulating data on race and ethnicity. Employers, land lords, educational institutions, and health officials in a given locality are likely to insist that they not be held to goals or standards for American Indians, Asian Americans, or blacks that are 10, 20, or 30 percent higher than they would have been without the changes in collection and tabulation.

The system might only be as strong as its weakest link: the entire system could fall due to a single challenge in a place where civil rights and single race counts or characteristics are sufficiently different for courts to rule against the procedures issued in the civil rights guidance. Given this, civil rights agencies are very likely to need a "Plan B." "Bridge" statistics will be necessary to allow them to distinguish changes in racial conditions or differentials that might have been measured had the methodology not changed. This will be needed not only in monitoring and enforcing civil rights. Those who feel they suffer from inequitable educational, employment, housing, or health conditions are also likely to insist that statistics showing improvements in these conditions reflect the changes that would have been measured absent the revisions.

If agencies find that the emergence of alternative counts limits their ability to pursue enforcement for populations and localities where they could do so in the past, then OMB and the federal agencies should acknowledge to these populations that this was a cost—perhaps unanticipated, perhaps acceptable—of revising the classification standards on race and ethnicity to permit multiple responses.

**Alternative Counts of Selected Racial Groups Provided by Single Race, Civil Rights, and All-Inclusive Tabulation**




*Source: 2000 Census*

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# Building Kids, Building Our Future

## *Youth NABRE Projects Prepare Youth to Handle the Challenges of Leadership in an Increasingly Diverse Society*

*By Akin Alaga*

The familiar saying, "Children are our nation's future," is more than just a maxim to the Joint Center's Youth NABRE (Network of Alliances Bridging Race and Ethnicity). Supported by grants from the Lucent Technologies Foundation through its Lucent Links program, Youth NABRE is an alliance of 52 youth-oriented diversity projects that are preparing our youth to be leaders of tomorrow's increasingly diverse society. The Joint Center, in collaboration with the Lucent Technologies Foundation and the National Conference for Community and Justice, which administers the Foundation's Lucent Links program, has launched a Youth NABRE website that links participants in all of the projects so that they can share ideas and learn from each other's experiences. The three projects spotlighted here illustrate the creativity of all 52 projects.

### The Grandparents Academy

The Grandparents Academy of the Oklahoma City Federation of Colored Women's Clubs is an intergenerational project that utilizes the wisdom and experience of mature adults to channel the energy of at-risk youth. The idea behind the project is to pass on the moral values of elders to young people so that they can apply these values to their own lives.

The project targets youth between the ages of 5 and 18 who lack the family support systems necessary for nurturing responsible members of society. It pairs these youth with mature community volunteers, currently ranging in age from 55 to 88 years, who pass on their personal lessons learned in triumphing over challenges that these youth are experiencing for the first time.

Many of the volunteers are minority women drawn from the Oklahoma City Federation of Colored Women's Clubs. Thus, the project exposes the ethnically diverse group of youth to a group of vibrant, minority older women, thereby encouraging the youth to develop healthy attitudes about race, ethnicity, gender, and aging.

### Global Learning of the Business Enterprise (GLOBE)

An initiative of the Denver, Colorado, Office of Junior Achievement Rocky Mountain, Inc., GLOBE is a seven-year-old program that was designed to familiarize young people with the global economy. At the same time, by exposing the students to the diverse people involved in international trade, the program also seeks to sensitize the students to issues of cultural diversity.

Through GLOBE, students engage in joint business ventures with other students across the world. Each country sends a handful of students to the other in order to exchange ideas and information on setting up import-export businesses. Typically, the students first conceptualize a business venture, then set it up, and operate it. These businesses are staffed with student officers and an elected CEO. At the end of the venture, the students liquidate the company.

Last year, Denver students worked out economic and cultural issues with fellow Mexican youth while importing beaded necklaces and exporting antibacterial products. Through such interaction with different business and foreign cultures, the students also gained a wealth of professional experience and deepened their understanding of other cultures.

Importantly, the students come from a cross-section of economic and cultural backgrounds. In this way, GLOBE endeavors to instill an interest in business that transcends these boundaries. This year the students will be trading with Belgium, Northern Ireland, and the Republic of Ireland.

### Mock Presidential Convention 2000

Hunter College's Department of Political Science organized a mock presidential convention for its New York City youth early last year. The event was designed to introduce young people to the political process through immersion in it. Participants learned the value of political participation and how the democratic process can be used to promote inclusion and tolerance.

The idea for the Mock Presidential Convention 2000 came in response to the escalating rates of national civic disengagement. The project's website quotes a 1998 National Association of Secretaries of State report that "Less than 15 percent of college-age people voted in the last (1996) national election."

The mock convention brought together approximately 1,000 New York City high school students who assumed delegate roles. These delegates built planks for their national party's platforms. In the process, the students became acquainted with national issues as they were forced to forge positions based on distinct party and state perspectives.

Students were recruited from 100 high schools and reflected the ethnic and economic diversity of the New York region. They ranged academically from at-risk youth to

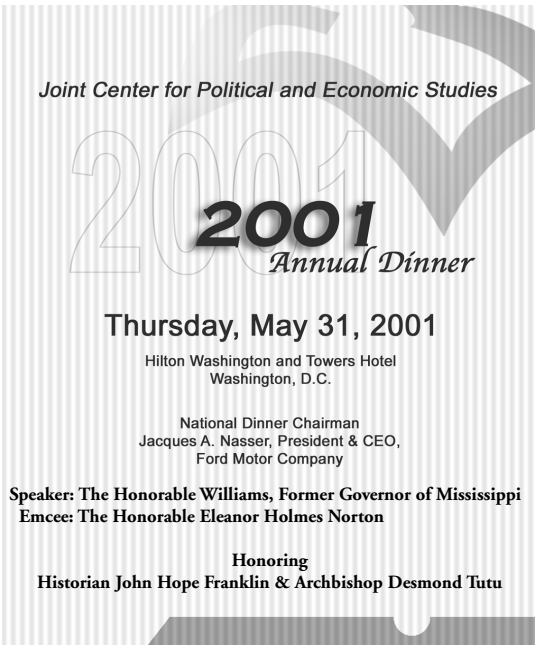
*Continued on back cover*

Mr. Alaga was an intern with the Joint Center's NABRE program.

## *Race*

*Continued from page 6*

The nation certainly should, through public discourse, the Congress, and the courts, determine whether it still wishes to maintain the system that had been established to monitor and enforce equal opportunity legislation or whether it thinks that alternative approaches and policies have become more appropriate. The system must not be allowed to crumble simbly because federal statisticians, in a legitimate and even laudable effort to allow respondents to identify their race as they themselves see it, did not fully understand the ramifications of their revisions. Unless the responsible agencies explicitly and carefully address these potential problems, they are placing that system in jeopardy. ■




Please contact Alfreda Edwards for ticket information at (202) 789-3545. Media should contact Liselle Yorke at (202) 789-6366 or visit www.jointcenter.org

## *Building Kids*

*Continued from page 7*

honor students. By bringing together teenagers from such different backgrounds to work together to iron out their political differences, the mock convention promoted the values of inclusion and tolerance.

One result of the mock convention is a training manual, complete with instructions on party convention politics, to help schools around the country in replicating the event. The manual is featured on the Mock Presidential Convention 2000 website at http://www.hunter.cuny.edu/pc2000/interest.htm. Hunter College intends to make this pioneering endeavor a regular event.

The Grandparents Academy, GLOBE, and the Mock Presidential Convention 2000—like all 52 Lucent Links projects—are truly innovative examples of ways to prepare today's youth for tomorrow's leadership roles. Youth NABRE is helping to maximize its impact through online events such as seminars and chat rooms. Together, the Lucent Technologies Foundation, NCCJ, Youth NABRE, and all the Lucent Links projects are demonstrating the value of collaboration to bring out the fullest potential of our young people. For more information on Youth NABRE, please visit the Joint Center's web site, www.jointcenter.org. ■

The Joint Center is pleased to announce that the April 16th issue of *Forbes* Magazine carries a special section on the Joint Center and its 30-year history of using research, information, and technology to advance the social, economic, and political interests of African Americans.

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# TRENDLETTER

## POLITICAL REPORT

### An End to Racial Profiling?

By Mary K. Garber

In a speech to Congress February 27, President Bush unexpectedly pledged to put an end to the practice of racial profiling. The pledge came as a surprise to many since it seemed a reversal of his campaign position that a federal study of this issue would be an unwarranted intrusion into local police matters. Attorney General John Ashcroft assured the Congressional Black Caucus at a meeting the next day that he was committed to fulfilling President Bush's pledge. Ashcroft told the black leaders that he considered racial profiling to be a deprivation of equal protection under the U.S. Constitution.

The Bush pledge capped months of well-publicized outreach to African Americans by the administration. Ashcroft's activities during his first days as Attorney General seem similarly designed to allay fears among minorities, gays, and others about his commitment to civil rights. Many prominent leaders had opposed his nomination as Attorney General because of his role as a senator in squelching the Clinton nominations of black Missourian Ronnie White to the federal bench and Bill Lann Lee to head the Justice Department's civil rights division.

At a Justice Department news conference March 1, Ashcroft confirmed that he plans to ask Congress to authorize a study to determine how prevalent the police practice of racial profiling is across the country. He said that he envisioned using traffic-stop data that is already being collected by local law enforcement agencies to inform the study. He singled out as promising a bill introduced last year by Rep. John Conyers (D-Mich.) and Sen. Russell Feingold (D-Wisc.) to study racial profiling on the local level.

Some civil rights advocates noted that when Ashcroft was serving in the Senate he failed to move out of his subcommittee the very bill that he had just endorsed. However, most expressed optimism that this sudden interest in profiling by the Bush administration would have positive results.

The Bush pledge comes at a time when allegations of racial profiling by police departments across the country have proliferated and evidence that the practice is rampant across the country has piled up. Profiling cases in several states have made headlines and spawned dozens of lawsuits, many backed by the American Civil Liberties Union and other major civil rights organizations. In fact, as reported in Political Report in the January 2001 issue of *FOCUS*, the nationwide nature of the problem may be no coincidence because it allegedly stems from a federal program that exhorted states to use profiling. According to John Farmer, Attorney General of New Jersey, states were encouraged to use racial profiling at the beginning of the war on drugs during the Drug Enforcement Agency's Operation Pipeline to target persons to be stopped and searched on suspicion of dealing drugs.

Being stopped by police for "driving while black" has been an issue raised by civil rights activists for some years, but it rose to national prominence in April 1998 when New Jersey state troopers shoot three unarmed young men—two black and one Hispanic—who were traveling to North Carolina for basketball tryouts (See March 1999 *FOCUS*). The subsequent lawsuit exposed a pattern of racial profiling by the New Jersey State Police that had repercussions all the way up to the governor's office. About the same time, the ACLU and the Maryland NAACP filed suit against the Maryland State Police for alleged racial profiling along I-95 between Baltimore and the border with Delaware. An analysis of police records showed that while about three-quarters of the drivers along that stretch were white, blacks made up nearly three-quarters of motorists who were stopped.

This month, the Texas Department of Public Safety released information showing that Texas State Police were twice as likely to search minority drivers as whites, even though the department said that searches were based on suspicious behavior and not race. The arrest rates suggest other-

wise. Of 28,641 white drivers who were stopped and searched, about 25 percent were then arrested. Of the 25,854 minorities who were stopped, only 15 percent were arrested. In short, minority drivers were more apt than white drivers to be needlessly stopped.

On the heels of Ashcroft's promise, the Justice Department released a report on March 11 showing that nationwide, black drivers were more likely than whites to be stopped, searched, ticketed, and handcuffed. The report also found that blacks and Hispanics were twice as likely as whites to report that the police had used force against them. Despite the numbers from the 1999 report, Ashcroft still believes that Congress should authorize a report on racial profiling because this report did not look at all the relevant factors to prove racial profiling.

## SMOBE Shows Large Increases in Number of Minority-Owned Businesses

According to the 2000 Census, the 1990s saw tremendous growth in the minority population of the United States. Results of the 1997 Survey of Minority-Owned Business Enterprises (SMOBE), released by the Census Bureau on March 22, 2001, found that the number of minority-owned businesses likewise grew at a faster rate than overall business growth.

Conducted every five years, SMOBE uses a sample survey to collect data about the number and type of minority businesses and their workforces, revenues, geographic locations, and other relevant information. An important change in this latest survey is that for the first time it includes data on "C" corporations, which are all corporations other than Subchapter S corporations. The distinguishing feature of S corporations is that their owners choose to be taxed as individuals rather than as corporations.

### African American–Owned Firms

From 1992 to 1997, the number of African American-owned businesses increased 26 percent, much above the 7 percent increase for businesses overall. Ninety percent of these African American businesses were sole proprietorships, that is, unincorporated businesses owned by individuals. C corporations numbered only 42,700, but they were first in receipts in 1997, accounting for $28.5 billion in revenues.

Although African American businesses became more plentiful in number, most were still relatively small. The 1997 figures showed that they represented 4 percent of the nation's nonfarm businesses but accounted for only 0.4 percent of total receipts. About half had receipts of under $10,000, and more than half were in the service industry. Only 1 percent had sales of $1 million or more. Over the period, they increased their receipts by 33 percent, but that was below the 40 percent increase for all U.S. firms during this time.

More than a third of African American firms were located in four states—New York (86,500), California (79,100), Texas (60,400), and Florida (59,700)—where a little less than a third of African Americans reside. Although New York State had the largest number of these firms, the District of Columbia had the highest percentage. Nearly one in four firms in the nation's capital were owned by African Americans. Maryland, which includes major Washington suburbs, had the second highest percentage of black-owned firms at 12 percent. Mississippi ranked third and Georgia Fourth.

### Hispanic-Owned Firms

Hispanic-owned businesses increased their numbers at an even faster rate than African American–owned businesses. During the five-year period, the number of Hispanic-owned businesses rose 30 percent, numbering 1.2 million by 1997. Like black-owned firms, the great majority (one million) of Hispanic-owned firms were sole proprietorships, although C corporations ranked first in receipts.

Hispanic-owned firms also tended to be smaller than average. While they constituted 6 percent of the nation's total nonfarm businesses, they accounted for only 1 percent of the receipts. However, they may be increasing in size. Receipts for Hispanic-owned businesses grew by nearly 50 percent, outpacing the overall growth in all business receipts of 40 percent. About four in 10 had receipts of $10,000 or less, and only 2 percent had sales of $1 million or more. Hispanic firms were also concentrated in the service industry (about 4 in 10).

Four states accounted for nearly three-quarters of the firms owned by Hispanics: California (336,400), Texas (240,400), Florida (193,900), and New York (104,200). About 7 out of 10 Hispanics live in these four states. New Mexico had the highest percentage of Hispanic-owned businesses, with more than one in five businesses being Hispanic-owned and accounting for 5 percent of statewide receipts. Texas ranked second with 16 percent of the state's businesses being Hispanic-owned and accounting for 3 percent of receipts. Florida was close behind with 15 percent, accounting for 4 percent of receipts. ■


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# ECONOMIC REPORT

## Reauthorizing Welfare Reform: Part 2

By George Cave

In August 1996, the U.S. Congress legislated a fundamental shift in income-support policy for the poor. This September, that program reaches the end of its five years of initial funding. As Congress considers reauthorization of welfare reform, we need to take this opportunity to assess how the program has worked and repair any undesirable consequences.

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 repealed the cash welfare program known as AFDC (Aid to Families with Dependent Children) and replaced it with a new program called TANF (Temporary Assistance to Needy Families). The new law eliminated the safety net of cash welfare to families for as long as they needed it and instituted five major new provisions:

- Time limits,
- Welfare work requirements,
- Welfare block grants,
- Child-support reimbursement, and
- Flexible regulations that "devolved" all aspects of the program other than the above provisions to the states.

*FOCUS*' November/December 2000 Economic Report presented some of the emerging problems. The most prominent are unanticipated declines in Medicaid coverage and food stamp use; a sharp drop in college attendance, education, and training among welfare recipients; and the need to "stop the time limit clock" for families that combine substantial work with welfare use.

This Economic Report examines three additional issues that have received considerable attention from policymakers and researchers: making improvement of child and family well-being an explicit goal for TANF, informing participants of workplace rights, and ensuring positive incentives for noncustodial fathers to support poor children who are receiving TANF.

### Improving Child and Family Well-Being

Initial goals for welfare reform were to curtail growth in welfare rolls and attain high rates of participation in welfare-to-work activities by those adults remaining on the rolls. Provisions of the 1996 law threatened states with forfeiture of a large part of their TANF grants if they did not meet these goals. Judged by these standards, TANF has been a stunning success. Welfare rolls have fallen by about half since 1996, and no state has missed a major participation goal for its welfare-to-work program.

But what should the yardsticks for judging successful welfare reform be after reauthorization? Caseload declines and welfare-to-work participation cannot be improved much beyond their current levels. The economic forces that allowed time limits and work requirements to push many welfare families into the workforce may reverse direction during the next five years. Poor families no longer on the welfare rolls may be driven deeper into poverty but still be counted as "successes" unless they drift back onto the TANF rolls. Many families may have hit time limits and lost TANF eligibility in states that adopted time limits more stringent than the five-year federal limit. If the current TANF goal—caseload reductions and work requirements for just the few families now left on welfare—is not revised, TANF budgets may be cut substantially, just as the economy may be entering a recession and driving millions of families to seek help from TANF.

For these reasons, some advocates recommend making TANF goals explicit and adopting new indicators of success for the program. These advocates suggest using changes in a state's child poverty rate and other indicators of child and family well-being as measures of TANF's success. Positive indicators of a state's performance might include: increases in the proportion of poor children who get help from TANF, reduction in the "poverty gap" (the amount of income that separates poor families from the poverty line), and rising proportions of poor children getting health coverage and food stamps.

Adopting some of these broad indicators of antipoverty success would give states incentives to change practices that are counterproductive for poor families' well-being in the long term. States would permit poor adults to get needed education and training if such activities led to higher wages or greater job stability that would help drive down the state's poverty gap. States would try to make sure families that left the welfare rolls got jobs and stayed employed if doing so helped improve explicit indicators of success such as poverty gaps. And states would have positive incentives to reverse declines in medical coverage and food stamp use.

### Workplace Rights

The special circumstances of women seeking welfare and other resources for their children make them especially vulnerable to sexual harassment or other arbitrary treatment. Many pre-existing laws ostensibly protect welfare recipients from exploi-

tation and discrimination by TANF caseworkers, welfare-to-work program staff, or job placement agencies. However, many TANF recipients do not know their rights, and the TANF law does not require states to provide even a simple notice of rights and grievance procedures, typically posted in most workplaces.

The TANF law requires state plans certified by ACF to explain "opportunities for recipients who have been adversely affected to be heard in a state administrative or appeal process." Each state's TANF plan also must include a description of grievance procedures to resolve complaints that welfare recipients have displaced workers not on welfare. But welfare recipients are not routinely made aware of these rights.

Comments submitted to ACF before TANF regulations became final recommended federal requirements that states inform recipients of their rights and the procedures for addressing violations and that states post nondiscrimination notices following the model provided by Title VII of the Civil Rights Act. However, ACF explicitly rejected that advice, arguing that it would be inconsistent with "the basic principle of State flexibility of the TANF legislation." In short, ACF does not believe it can manage states' practices even regarding these federal protections.

The Balanced Budget Act of 1997 amended the TANF law to provide funds for a new welfare-to-work initiative and include expanded worker protections for participants in welfare-to-work funded work. These expanded protections dealt with nondisplacement rules to prevent replacing state employees with welfare recipients, health and safety provisions, nondiscrimination rules against gender-based discrimination (such as sexual harassment), and procedures for grievances, hearings, and appeals.

However, there still is no clear federal requirement to notify TANF recipients or applicants of their rights or grievance procedures. This issue apparently arose during the rule-making phase of implementation after the TANF law was passed.

## Positive Incentives to Pay Child Support

Every month, state and local governments receive many thousands of dollars in child support payments on behalf of children in families receiving TANF. In the reauthorization debate, federal lawmakers again will face fundamental policy decisions about what to do with child support payments on behalf of children in welfare families. Some argue that reimbursing governments for past welfare payments should be the first priority. However, parents who can afford to pay child support are more likely to pay voluntarily if they know the extra money will go to their children directly rather than to reimbursing the government.

Since 1996, under the child support reimbursement provisions of the TANF law, when a nonresident parent (in most cases the father) has paid child support for children getting TANF, states have had to share the child-support revenues with the federal government, but not necessarily with the custodial parent. This is an important change from the situation before the TANF law.

From 1984 to 1996, all states had to pass the first $50 of child support paid in any month along to the custodial parent, usually the mother. To prevent welfare checks from simply being reduced by that amount, states had to disregard that $50 when calculating eligibility for welfare. These "pass-through" regulations were intended to give fathers stronger incentives to pay child support voluntarily.

The TANF law repealed these pass-through requirements. States that want government to keep all of the money fathers pay now are free to do so. Since the enactment of TANF, about half of the states have completely discontinued their pass-through programs, while a few states have done just the opposite and strengthened them. For example, Connecticut raised its child support pass-through from $50 to $100 a month.

With the steep decline in welfare caseloads since 1996, government revenue losses from child-support pass-throughs now are of much less concern than providing incentives for fathers to support their children voluntarily.

## Reform Recommendations

Areas of the original 1996 law that warrant change include:

*TANF's explicit goals*. Congress should adopt indicators of state TANF performance that monitor changes in child and family well-being, including child poverty and, health coverage, and food stamp use by poor children.

*Workplace protections*. At the very least, Congress should require states to provide simple notice to participants in welfare-to-work programs of their workplace and civil rights protections, and their rights to grievance procedures, hearings, and appeals.

*Incentives for noncustodial parents to pay child support.* Congress should require states to pass through to custodial parents on the TANF rolls some minimum amount per month from child-support payments by noncustodial parents to give positive incentives to pay. ■


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